In Focus: RSI ID Technologies CITY OF CHULA VISTA





RSI ID Technologies was a two-person business when it opened in an incubator space in Chula Vista in

1991. By mid 2006, the company had 75 full-time employees in four locations, had expanded the Chula Vista corporate headquarters three times, had

achieved \$10 million dollars in annual sales and controlled 40% of world-wide market share in its technology sector. With such success under his belt, RSI founder and CEO, Wolf Bielas, is positioning the company to reach a goal of \$100 million in annual sales.

Within 8-9 months of starting the business, Bielas recognized there would be a future need to have his product physically closer to his primary clients who were, at that time, several companies in Tijuana. Production and warehousing of his bar-coding labels was taking place in the Chula Vista facility only a few miles from the Mexican border which made service to clients easy; however, the demand for product was beginning to require almost daily delivery which cut into the time needed for research and business development.

Only two years after opening in Chula Vista, RSI opened its Tijuana office and warehouse in order to service a rapidly growing number of clients more quickly and cost effectively. Establishing the company in Tijuana was what Bielas describes as "an easy, step by step, procedure" that was handled by his partner, M. Enrique Cohen. Cohen worked with a licensed Mexican notary who legalized all the documents necessary to establish the company. A 5,000 square foot facility, which still serves as RSI's primary Mexican location and is managed by Cohen, was rented at a much lower cost than similar facilities in the U.S. RSI now has 20 employees in the Tijuana company. With the exception of Cohen, all live in Mexico. Cohen commutes from his home in Chula Vista using his SENTRI pass to make his daily return home quick and easy.

Cohen points out that the RSI company in Mexico has benefited from participating in CANIETI (the Mexican National Chamber of the Electronics, Telecommunications and

Informatics Industry), and from hiring locally at considerably less cost than hiring comparable employees in the U.S. RSI has expanded direct services to two cities in the interior of Mexico, and recently prepared to convert a portion of the Tijuana facility

"Moving the more labor intensive portion of our manufacturing from our Chula Vista facility to Tijuana has also given us more time and space to devote to R&D and administrative business as we continue to grow."

> -Wolf Bielas, President/CEO RSI ID Technologies

into a maquiladora. The maquiladora will take over the more labor intensive portion of manufacturing currently handled at the Chula Vista headquarters. Cohen notes that the process of establishing the maquiladora has been a detailed, time-consuming process. Nevertheless, being able to save considerable time and money in the manufacturing process once the maquiladora is operational will be well worth the effort.

What does the future hold for RSI? RSI already has clients in 33 countries on five continents, many of whom are Fortune 500 companies with an insatiable appetite for RSI's RFID (radio frequency identification) products.

Bielas anticipates expanding various functions of the company to locations throughout his global market, in order to more conveniently service and attract clients. Corporate offices will continue to be in Chula Vista and manufacturing will continue in Tijuana, but this bi-national company is definitely going trans-national.

